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THE ORGANISATION OF CO-OPERATION

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1. Introduction

With pleasure I have accepted the invitation of your president Mr. Hamel to give a contribution to the discussion on the topic 'library co-operation; trends, possibilities and conditions'. In this paper I will limit myself to the more general aspects of coordination and cooperation, with the hope that the framework I use will be a fruitful starting point for discussion.

The paper deals with the following questions:

1. Why is interorganizational cooperation a problem?
2. What is interorganizational cooperation? What kind of structural configurations can be established? What are arguments for tight coupling between organizations and what are arguments for loose coupling?
3. What are the main barriers to Interorganizational cooperation?
4. What models can be used to promote interorganizational cooperation?

2. Why is interorganizational coordination a problem

Both in the private and public sector we find a growing concern for interorganizational coordination and cooperation. In the public sector for instance policy-makers are confronted with the consequences of increased territorial and functional differentiation and specialization. If we look at the health care system in the Netherlands, or the welfare, or the educational system we see a whole network of more or less independent organisations, each claiming its own domain, each careful to protect its own identity and each stressing its own uniqueness. Yet, although we live in a world of organizations we have tremendous difficulties in coordinating the activities of these organisations, and establishing the interrelationships necessary to obtain societal goals. What we lack are the instruments (power, authority) for controlling these interrelationships between organizations, and we more often than not have to rely on the willingness of individual organizational members to initiate efforts in the direction of interorganizational cooperation.

The increase in differentiation and specialization has produced systems in which the problem solving capacity (dealing with technological innovation, organizational and technical complexities, re-allocation of scarce resources) of governments, central coordinating agencies or other institutions are disaggregated in a collection of subsystems with limited tasks, competences and resources, and where the relatively independent participants possess different bits of information, represent different interests and pursue separate, potentially conflicting courses of action. The problems we are confronted with cut across the boundaries of separate authorities and functional jurisdictions.

These problems are the more pressing in a period in which all Western industrial countries are confronted with an economic recession and therefore, a shortage in means to finance the complex structures on which our societies are built. We have to consider the necessity of doing away with organizational inefficiencies, to reorganize our complex systems so that they will with less costs at least maintain the same output. If we want to maintain our highly developed health care, welfare, educational and other systems we have to realize that we must find means to increase interorganizational coordination to increase effectiveness and efficiency, as we can not any longer permit ourselves to allocate unlimited amounts of public money to these systems.

Is interorganizational cooperation a major problem for the government, we can also conclude that it is of growing concern for the private sector. Structural overcapacity, growing costs and competition, complex and expensive technologies, the need for innovation, the efficient use of scarce resources, lead to a growing awareness of the necessity of cooperation between organizations to achieve coordination. The task we are confronted with in almost all sectors of our society is 'redesigning complex networks of formally autonomous, but interdependent organizations' (Metcalf, 1977). This requires extensive coordination, and redefining roles and relationships of the organizations involved in the network.

However the attempt to initiate interorganizational cooperation proves to be rather difficult. Organizations, more often than not seem to be rather powerless to initiate the necessary coordinating linkages. There often is an incompatibility between organizations due to the fact that organizations do not share the same goals, have different elite-values or do not consider their technologies and resource needs as complementary. Even when there is compatibility and complementarity in 'objective' terms, they exist nevertheless in the perception of decisionmakers and these perceptions can create real blockades.

All this brings us to our central question: what modes are there to ensure coordinated policy actions of relatively independent actors. For this we need networks of separate but interdependent organizations where the collective capabilities of a number of participants are essential for effective problem-solving or where the activities of individual units can be guided by more general policy considerations.

3. The concepts of coordination and cooperation

With coordination we try to link the activities of relatively independent units to achieve a specific goal. The following mechanisms are mostly used by organizations to coordinate their internal affairs: mutual adjustment, direct supervision, standardization of work processes, standardization of work outputs and standardization of workshifts. The choice of a specific mechanism depends on the complexity of the task to be done, the specific characteristics of the task, the way tasks are related to one another, the felt need for organizational flexibility etc. One can say there is a certain amount of 'organizational choice' in selecting the most appropriate coordination mechanisms. As coordination aims at controlling the behavior of human actors, the 'levers' for such control are power and influence.

With the term cooperation we describe the joint action of two or more parties for mutual benefit. Cooperation involves coordination. Cooperation is in its essence a voluntary act by parties involved. When interorganizational coordination becomes more and more important the willingness to cooperate becomes a necessary condition. The choice of a coordinative mechanism in a cooperative situation depends on the amount of power and influence that can be used

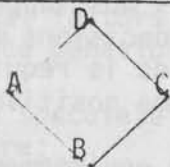
by the parties involved. In some situations coordination can be ensured by 'coercion'. The 'coerced' party has no option but to meet the preferences of the coercing party or bear some sanction imposed by that party. As coercion is in our society (fortunately) a not too preferred instrument to achieve coordination, we will have to rely on forms of cooperation. In the field of interorganizational decision-making this is not an easy task as there is not an overall authority structure to resolve conflicts. Interorganizational cooperation therefore depends very often on the outcome of multilateral bargaining between the representatives of organizations involved. Cooperation never the less depends on the capacity and willingness of organizations to solve problems that meet the different needs of various groups. Some pessimists in our society, and may be they are right, seriously doubt our capacity for developing these joint courses of action and fear that bureaucratic and centralized hierarchic control (and therefore coercion) are the only means that will work to ensure coordination.

Coordination networks (whether voluntary or coercive of nature) can differ in intensity of the interrelationships and in the kind of structure to be developed. The choice of a specific type of network depends on questions like:

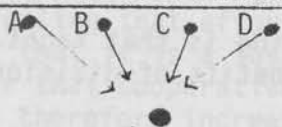
- the price (loss of autonomy) organizations are willing to pay for coordinating their efforts;
- the amount of cooperation actors need to realize their aims;
- the felt need for cooperation;
- the amount of power and influence of the actors in the network.

The following major structural forms in interorganizational networks can be distinguished.

A. Horizontal structure: There is no hierarchical relationship between the participating organizations, although there can be differences in power potential. There is no central coordinating agency. Parties agree to for instance share information, coordinate their efforts etc. but each actor more or less remains autonomous.



B. Central coordinating Agency. If the horizontal structure is in itself insufficient for the coordination needs, actors can agree to create within the existing horizontal structure to establish a central coordinating agency



C. Central coordinating agency with hierarchical authority. The participating organizations make themselves subordinate to a central agency with hierarchical power. In fact a hierarchical level is created and actors have delegated some of their power to this agency.



With these three forms of coordination we have moved from a level of loosely coupled (horizontal) organizations to one in which there are strong vertical ties, to one from more or less voluntary relations to one with a high specificity of guidelines and in which a tight coupling of organizations has taken place.

There are in the field of interorganizational decisionmaking and cooperation proponents for tight and proponents for loose coupling of organizations. Those that favor tight coupling state that hierarchical control must be used to negate the tendencies of organizations to pursue narrow, and sectarian interests. Outputs that benefit the entire population served are only possible in structures where special interests are held tightly in check.

Arguments in favor of tight coupling refer for instance to (cs. Aldrich, 1977):

- The indivisibility of problems. Some problems cannot be broken down into separate pieces and if different organizations work on the problem from their own perspective one gets a series of partial solutions. Examples are pollution control, the coordination of economic development activities between government, management and unions.
- Organizational autonomy and separate authority are barriers to effective problem solution. Some observers argue that the existence of autonomous organizations and programs, each with its own protected boundaries, not only fragments problems but also creates unsurmountable obstacles to coordination. Vested and parochial interests, the defense of domains preclude effective coordination.
- Normal interorganizational transactions are focussed on organizational needs, not on the common welfare. This argument stresses that normal interorganizational transactions are on too low a level and are too issue specific to achieve coordination among organizations at the population level, even when they are ostensibly dealing with the same general problem.
- Large, dominant organizations benefit the most from loose coupling. In this argument it is argued that in the absence of authoritative, comprehensive, and planned coordination, the flow of resources in a system will benefit the all-ready well of organizations.

There are of course also various arguments that favor loose coupling:

- Minimizing the degree of coupling allows for maximum responsiveness, innovation and adaptation to the local environment. Here it is argued that a decentralized structure makes decision makers visible and accessible, thus promoting public accountability. That decentralization stimulates feedback and mutual adjustment.

In general one can say that a loosely coupled structure is most appropriate under conditions where the environment is heterogeneous, decisions must be made rapidly and a high degree of responsiveness to demands is required.

- Duplication and overlap of organizational domains make some positive contribution in an interorganizational system.

Here the importance of redundancy is stated. In uncertain environments redundancy can increase the probability of accomplishing tasks.

A last argument sometimes used in favor of loose coupling is that tight coupling and high centrality may mean a loss of the benefits of division of labor and specialization.

4. Some potential barriers to cooperation

Organizations or organizational decisionmakers are typically oriented to the acquisition and defense of an adequate supply of resources. Two basic types of resources are central: the necessity of money to acquire scarce resources and authority. Authority refers to the legitimation of activities, the right and responsibility to carry out programs of a certain kind. We call these claim 'domains'. The possession of a domain permits the organization (or a profession) to operate in a certain sphere, claim support for its activities and define proper practices within its realm.

On the basis of this we can hypothesize that if cooperation poses a threat to the autonomy and/or the identity of the organizations they will be reluctant to cooperate. Integration into a network will be considered as highly problematic and threatening unless organizations are assured that their overall autonomy will not be hampered or that any autonomy which they would be required to surrender would yield compensatory returns.

A second hypothesis is that if there is a lack of domain consensus between

organization there is fear that you may suffer from the results, and this gives rise to organizations, or if organizations have no positive evaluation of each other, or if they disagree along ideological lines or if coordination threatens the maintenance of order and effectiveness in the established programmes of an organization, this is likely to preclude cooperation. Congruent expectations can be viewed as a prerequisite for cooperation.

A third hypothesis is that if there are conflicting requirements for integration in systems in which an organization has multiple memberships this will hinder collaboration with each system.

University libraries probably are members of more than one system and this frequently results in the library organization receiving conflicting demands. It has to participate in the overall network of library organizations and in the vertical programmes of the university to which it belongs. This very often can lead to forms of conflict.

One might argue that organizations are willing to enter into cooperative relationships when

- a. there is a felt need for cooperation due to environmental circumstances;
- b. if the benefits of cooperation are clearly visible and
- c. if the organization feels rather secure and has a strong power position in the network, so that it can bargain for results that are beneficial to the organization.

Yet even if conditions for concerted decision making and cooperative behavior are supportive, organizations quite often show a considerable amount of behavior which is not directed towards either problem solving or bargaining over respective preferences but which is clearly devoted to defeating the process and to making the outcome as ambiguous and innocuous as possible. Even if there is a high integrative pay off to the participating organizations emotional factors can be so dominant that organizations prefer some kind of avoidance behavior and stay oriented to the existing status quo.

One can speculate about the motives behind this avoidance behavior. Reasons often are:

- Fear for identity loss and loss of autonomy;
- Fear for bureaucratic procedures;
- A feeling that efforts to cooperation will eventually not succeed at all, and that it is a loss of time;
- Fear that cooperative efforts increase the visibility of an organization and therefore increase the organization's vulnerabilities to attack and criticism.

5. An action model to promote interorganizational cooperation

To establish interorganizational cooperation is a difficult and in general time consuming process. The process is therefore so difficult as the participants have partly shared and partly conflicting views and objectives. They also bring into this process different policies, attitudes and beliefs, based on differences in culture, history and direct experiences. One can notice although network cooperation aims at problem solving, that bargaining between the participants is a rather common phenomenon.

Designing a successful network for interorganizational cooperation necessitates therefore the development of a frame of reference that organizations can share and the creation of mechanisms that preserves cooperation but also deal with conflict maintenance.

The question is to what extent are representatives of organizations involved in designing such a process able to handle all these constraints. If there is a distinct attitude towards problemsolving, if there are not too many

conflicting interests and if there is enough mutual trust and support designing such a process might not be so difficult. If the conditions however are more difficult it might be worthwhile to work with a neutral outsider who has the respect and support of all parties involved.

This neutral outsider should put emphasis on designing the process. Substantive or structural recommendations are less important here than process recommendations. The outsider will in general not be asked for his expertise with regards to the substantive content of the problems at stake, as this expertise is already available within the organizations themselves. The main task of the outsider is to facilitate the process of interorganizational learning.

The outsider should be aware of the bargaining elements that creep into the situation, of the fact that a win - lose situation can develop, of the strategies and tactics parties use to influence the situation or to avoid that decisions are made but which at the same time can create conflicts. In short he should be aware that the design of a process for interorganizational cooperation is in essence a political decision making process.

The task of the outsider is to establish conditions which can lead to the development of the network. An effective instrument can be to start with a working party that can be regarded as a replicate of the interorganizational network. This microcosm models the large-scale political forces and provides a mechanism for exploring the interconnections among problems and collectively thinking through ways of dealing with them (cf. Metcalfe, 1977).

The working party should deal with concrete issues on the basis of papers prepared for the discussions. The detailed analysis of these concrete problems within a specific time period helps to bring down stereotypes, to build interpersonal contacts and to recognize the structural conflicts that have to be resolved. The legitimacy of each other's claims can so be recognized and the problems of each organization better understood. Here the assistance of the outsider can be helpful in creating a frame of reference the organizations can share, and enabling them to recognize the areas in which coordination of activities can be achieved. It is important that the consultant as a neutral outsider keeps in close contact with the organizations represented in the working party, as this keeps him informed of the relevance of the recommendations made and their political feasibility.

In this short paper some issues relevant for interorganization cooperation are dealt with. It is argued that in our society it is a problem of growing concern, but at the same time a difficult political process. The action model is not the panacea for solving all the problems of designing the process of interorganizational cooperation, but a way to create conditions suitable for such a process.

DISCUSSION

Mr. S. Westberg: I agree from my own experience that one of the best ways of achieving cooperation is by starting to try to work together on specific problems. This does produce practical results.

Dr. P.J.C.A. Pinxter: When you are trying to cooperate, it always seems difficult to talk about real concrete questions with other people. Instead, all sorts of emotional aspects come into play. I am always surprised at how we cannot talk about problems openly; instead, we get avoiding actions.

van Gils: Yes, people do not behave simply rationally, but also emotionally. If you are from a large organization, you feel secure and can afford to be open, but in a small

organization there is fear that you may suffer from the results, and this gives rise to defensive attitudes. Cooperation takes a long time to achieve.

Mr. M.B. Line: Dr. Johnson referred to a man's second marriage as "the triumph of love over experience". There is a great urge towards cooperation, which is rather like marriage with more people involved, but in practice problems arise, partly because the practical benefits have not been fully calculated or emphasized, and the costs turn out to be greater than anticipated.

van Gils: Cooperation is likely to be most successful if it is forced on organizations, for example by governments, in response to economic conditions (forced marriages). The bodies concerned have to learn to live with one another.

Prof. A.J. Evans: There is a conflict in the autonomy of universities in developing new subjects or continuing uneconomic (that is small) departments, which in terms of library provision are relatively very expensive. Although the finance comes from the government and some measure of control exists, we still retain our academic freedom within the universities and the library almost inevitably has to follow the university policy.

Mr. A.C. Bubb: Is there not a conflict between the professional need to build up an independent operation and the loss of personal authority implied by cooperation?

van Gils: I fully agree with you there. There is often tension between the professional outlook on work organization and the needs of the client. When money is scarce, this results in increased conflict.

Mr. P. Durey: Professor van Gils, you mentioned the conflict which can arise, when considering a cooperative venture, in distinguishing between the interests of an individual institution and those of a wider sphere. Is it proper to take the view that, since one is employed by a particular institution, the interests of that institution should prevail?

van Gils: You always have to make choices. If institutions do not establish horizontal ties we shall never get anywhere, and it is our personal responsibility to develop these links. Conflicting links provide a continuous dilemma in which we ourselves are often quite powerless.

Dr. D. Shaw: There seem to be three possible structures for organizational control, viz:

- (i) the benevolent dictatorship
- (ii) the fully democratic system with equal voting rights
- (iii) a mixed system which is an attempt to reconcile the best elements of (i) and (ii).

van Gils: I am not quite in favour of the one man - one vote system, because the kind of problems we are faced with is not easily solved in this way. I believe in the need for centralization of authority, which enables decisions to be made and implemented, but a dictatorship has also many disadvantages, such as lack of flexibility. I am looking for a middle of the way solution - as in (iii).

Mr. G.A. Hamel: Can you give us advice as to how one can educate professionals to become more open to cooperation?

van Gils: One of the first elements is, "Is there a real need for cooperation, and is this need felt?" If there is a need, what are the issues that are relevant and concrete? Be careful to study the benefits and losses. Try to avoid emotional barriers, and be aware of the emotional aspects involved.

Mr. T.J. Tanzer: I would like to have your opinion on how to try to depersonalize problems and avoid the defense of personal points of view.

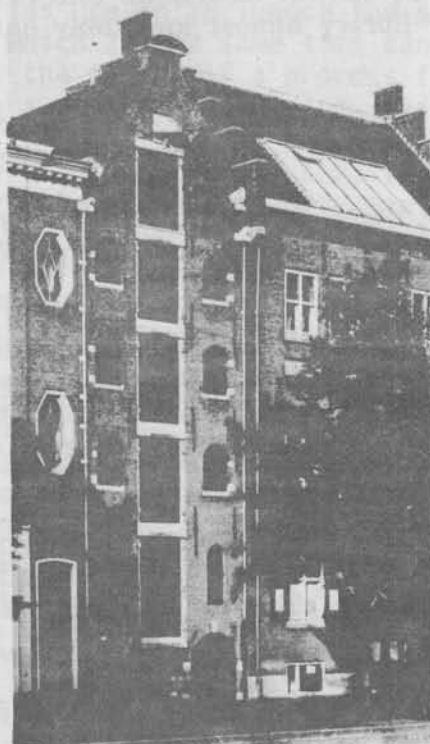
van Gils: I think you can depersonalize problems by paying attention to the problem itself - be objective. This is, of course, difficult to achieve in practice.

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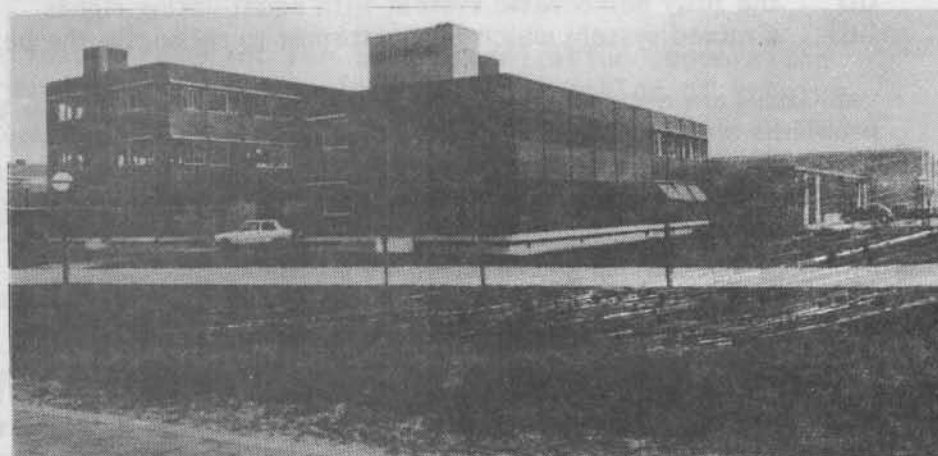
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